



McDonald
Vague

business recovery partners

**The Fashion Leader Limited
(In Liquidation)
Trading Name: Clothing and More**

McDonald Vague Limited

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Auckland Central

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**Liquidators' Second Report
For the period from 10 September 2018 to 9 March 2019**

1 INTRODUCTION AND APPOINTMENT

Peri Micaela Finnigan and Iain McLennan, Accredited Insolvency Practitioners, of Auckland, were appointed joint and several liquidators of The Fashion Leader Limited ("the company") on 10 September 2018.

Pursuant to Section 255(2)(d) of the Companies Act 1993 ("the Act"), the liquidators are reporting on the progress of the liquidation. This second report should be read in conjunction with the liquidators' previous report.

This report is being sent to all shareholders and all creditors who have filed a claim in the liquidation.

A Statement of Realisations and Distributions is **attached**.

2 RESTRICTIONS

Whilst all care and attention has been taken in compiling this report, we do not accept any liability whatsoever to any party arising from the circulation, publication, reproduction or use of this report.

We reserve the right (but are under no obligation) to review and, if we consider necessary, revise this report in respect of any information existing at the date of this report but that becomes known to us after that date.

3 CONDUCT OF THE LIQUIDATION DURING THE PRECEDING SIX MONTHS

3.1 Post-Liquidation Trading On Period

When the liquidators were appointed, the company was still operating its shop at Clendon Park. The liquidators continued to trade the business with a view to selling the business as a going concern.

After liquidation, the liquidators took steps to sell the company's business as a going concern with the landlord's assistance. None of the prospective purchasers were suitable to the landlord, due to their inability to satisfy the landlord of their ability to pay the proposed rent and outgoings on the premises. The liquidators were not, therefore, able to sell the business as a going concern.

The liquidators continued to trade the business for a further period, until shortly after Christmas, so that they could maximise the realisable value of the remaining stock.

3.2 Asset Realisations

3.2.1 Bank Account and Cash On Hand *(Statement of Affairs: \$6)*

The company had \$6 in its bank account at BNZ Bank. The liquidators closed this bank account and recovered \$6.

The company had \$1 in its accounts at ASB Bank as at the date of liquidation. This amount was subsequently transferred to the liquidators.

As at the date of liquidation, the company had a float of \$150. This amount was banked at the end of the trading on period.

3.2.2 Stock, Plant and Equipment *(Statement of Affairs: \$Unknown)*

Trading on stock sales realised \$60,314. During the trading on period, the liquidators purchased \$13,868 in stock to supplement the stock held by the company as at the date of liquidation. The total costs incurred during the trading on period were \$57,181, including the purchase of further stock and the payment of rent and OPEX totalling \$34,956.

At the end of the trading on period, the company's remaining stock and fixed assets were sold. The remaining stock and fixed assets realised \$5,000 less commission of \$500.

4 INVESTIGATIONS

The liquidators have completed their investigations into the books, records and affairs of the company.

We have reviewed the company's bank statements. No transactions of interest were identified that, if pursued, would be likely to result in a recovery for the benefit of the company's creditors.

5 CREDITORS' CLAIMS

5.1 Secured Creditors

No secured claims have been received at the date of this report.

There is one financing statement registered against the company on the PPSR. The liquidators have written to the security holder seeking a copy of the document creating the security interest. To date, this document has not been provided.

5.2 *Preferential Creditors*

There were no outstanding employee entitlements owing as at the date of liquidation.

The Inland Revenue Department has submitted a preferential claim for \$4,746. No dividend has been paid to the preferential creditor at the date of this report.

5.3 *Unsecured Creditors*

As at the date of preparing this report, the liquidators have received ten unsecured claims from creditors totalling \$458,190.

In the interests of minimising liquidators' fees, we will not attend to the formality of accepting or rejecting creditors' claims until we are in a position to pay a distribution to that group of creditors.

6 FUNDS / LIKELY OUTCOME

The liquidator does not anticipate paying a distribution to unsecured creditors.

7 MATTERS DELAYING THE COMPLETION OF THE LIQUIDATION

The following matters are outstanding:

- Finalisation of liquidation
- Filing final GST return
- Removal of company from Companies Register

8 ESTIMATED DATE OF COMPLETION

Based on the information contained in this report the liquidators presently propose to complete all outstanding matters with a view to retiring as liquidators within the next six months.


9 CONTACT DETAILS

Enquiries should be directed to Marisa Brugeyroux on DDI (09) 306 3340 or by email to mbrugeyroux@mvp.co.nz.

The Liquidators can be contacted at:

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IAIN McLENNAN
LIQUIDATOR

DATED this ¹²₄ day of April 2019

Realisations and Distributions

The Fashion Leader Limited (In Liquidation) 10 September 2018 to 9 March 2019

Realisations	Book Value per Statement of Affairs \$	Cash Received \$
Cash as at Date of Liquidation	6	157
Trading On Sales of Stock	65,000	60,314
Sale of Fixed Assets and Remaining Stock	65,000	5,000
Total Realisations		\$65,471
Payments		
Liquidators Fees		
Liquidators Fees		6,983
Total Liquidators Fees		\$6,983
Other Costs of Liquidation and Trading On		
Trading On – Banking Facilities		326
Trading On – Insurance		2,451
Trading On – Purchase of Stock		13,868
Trading On – Rental and Opex		34,956
Trading On – Security Monitoring		212
Trading On – Telephone and Power		1,696
Trading On – Wages and PAYE		3,671
Commission Payable on Sale of Assets		500
Total Costs of Liquidation and Trading On		\$57,680
Total Payments		\$64,663
BALANCE HELD		\$808

Note: the above figures are GST exclusive